



**BAC 7710-FW-P**

**POSTAL REGULATORY COMMISSION**

**[Docket No. CP2014-12; Order No. 1905]**

**New Postal Product**

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recent Postal Service filing concerning a contract with Australia Post for the delivery of inbound Air CP and Express Mail Services (EMS). This notice informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* December 20, 2013.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** Stephen L. Sharfman, General Counsel, at 202-789-6820.

## **SUPPLEMENTARY INFORMATION:**

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### **I. Introduction**

On December 11, 2013, the Postal Service filed Notice, pursuant to 39 CFR 3015.5, that it has entered into a successor negotiated service agreement (Agreement) with Australia's foreign postal operator, Australia Postal Corporation (Australia Post).<sup>1</sup> The Postal Service seeks to have the inbound portion of the Agreement, which concerns delivery of inbound Air CP<sup>2</sup> and Express Mail Services (EMS) in the United States, included within the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 (MC2010-34) product on the competitive product list. Notice at 3.

### **II. Contents of Filing**

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<sup>1</sup> Notice of United States Postal Service of Filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with a Foreign Postal Operator (Australian Postal Corporation), December 11, 2013 (Notice).

<sup>2</sup> "CP" is an abbreviation used to identify or reference international parcel post (from the French phrase *colis postaux*, "postal package").

The Postal Service's filing consists of the Notice, financial workpapers, and four attachments.<sup>3</sup> Attachment 1 is a copy of the Agreement. Attachment 2 is the certified statement required by 39 CFR 3015.5(c)(2). Attachment 3 is a copy of Governors' Decision No. 10-3. Attachment 4 is an application for non-public treatment of material.

The Agreement's intended effective date is January 1, 2014. Notice at 3. The Agreement is set to expire two years after the effective date, subject to termination pursuant to contractual terms. *Id.* at 3-4.

The Postal Service states that the Agreement is the successor to the 2012 Australia Post Agreement approved in Order No. 956.<sup>4</sup> It also identifies the 2012 Australia Post Agreement as the baseline agreement for purposes of determining functional equivalence. Notice at 2. It asserts that the Agreement fits within applicable Mail Classification Schedule language included in Governors' Decision No. 10-3. See *id.* at 3, Attachment 3. The Postal Service identifies differences between the Agreement and the 2012 Australia Post Agreement, such as revisions to existing articles, but asserts that these differences do not detract

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<sup>3</sup> The financial workpapers and Attachments 1 and 3 were filed in redacted and unredacted versions.

<sup>4</sup> Notice at 2; Docket No. CP2012-1, Order Concerning an Additional Inbound Competitive Multi-Service Agreements With Foreign Postal Operators 1 Negotiated Service Agreement, November 9, 2011 (Order No. 956).

from a finding of functional equivalency.<sup>5</sup> *Id.* at 5-6. In addition, it states that both agreements incorporate the same cost attributes and methodology, thereby making the relevant cost and market characteristics similar, if not the same. *Id.* at 6.

### **III. Commission Action**

*Notice of establishment of docket.* The Commission establishes Docket No. CP2014-12 for consideration of matters raised by the Notice. The Commission appoints John P. Klingenberg to serve as Public Representative in this docket.

Interested persons may submit comments on whether the Postal Service's filing in the above-captioned docket is consistent with the policies of 39 U.S.C. 3632, 3633, and 3642 and the requirements of 39 CFR parts 3015 and 3020. Comments are due no later than December 20, 2013. The public portions of this filing can be accessed via the Commission's Web site (<http://www.prc.gov>). Information on obtaining access to sealed material appears in 39 CFR part 3007.

### **IV. Ordering Paragraphs**

*It is ordered:*

1. The Commission establishes Docket No. CP2014-12 for consideration of matters raised by the Postal Service's Notice.

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<sup>5</sup> See, e.g., in Article 1, the addition of two new purposes for the Agreement, and in Article 22, the time frame in which the parties will meet to discuss renewal prior to expiration. Notice, Attachment 1 at 1-2, 22.

2. Pursuant to 39 U.S.C. 505, John P. Klingenberg is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

3. Comments are due no later than December 20, 2013.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

**Ruth Ann Abrams,**

*Acting Secretary.*

*[FR Doc. 2013-30151 Filed 12/18/2013 at 8:45 am; Publication Date: 12/19/2013]*